

STATE OF NEW YORK  
STATE TAX COMMISSION  
ALBANY, NEW YORK 12227

PAUL B. COBURN  
SECRETARY  
Telephone: (518) 457-6162

July 30, 1980

The North River Insurance Company  
P.O. Box 2387  
Morristown, NJ 07960

Gentlemen:

Please take notice of the Default Order of the State Tax Commission enclosed herewith.

Please take further notice that pursuant to Section(s) 1519 & 1090(a) of the Tax Law, any proceeding in court to review this decision must be commenced within 4 months from the date of this notice.

Inquires concerning the computation of tax due or refund allowed in accordance with this decision may be addressed to the undersigned.

Very truly yours,

PAUL B. COBURN  
SECRETARY TO THE  
STATE TAX COMMISSION

cc: Petitioner's Representative

Taxing Bureau's Representative

STATE OF NEW YORK  
STATE TAX COMMISSION

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In the Matter of the Petition :  
of :  
The North River Insurance Company : DEFAULT ORDER  
: 80-P-25  
for Redetermination of Deficiency or for Refund of :  
Franchise Tax on Insurance under Article(s) 33 :  
of the Tax Law for the Year 1976. :

Petitioner(s) The North River Insurance Company filed a petition for redetermination of deficiency or for refund of Franchise Tax on Insurance under Article(s) 33 of the Tax Law for the Year 1976. File No. 27612.

Under Section 601.5 of the State Tax Commission Rules of Practice and Procedure, a notice was served on the petitioner(s) to file a perfected petition. Notice to file the perfected petition was sent to the petitioner(s) last known address. Petitioner(s) failed to file a perfected petition. A default has been duly noted.

Now on motion of the Secretary to the State Tax Commission, it is

ORDERED that the petition of The North River Insurance Company be and the same is hereby denied.

DEFAULT ORDER  
ADOPTED BY THE STATE TAX COMMISSION  
ALBANY, NEW YORK  
JULY 30, 1980

August 22, 1980

Mr. Paul B. Coburn  
Secretary to the State Tax Commission  
State Tax Commission  
Albany, New York 12227

Re: The North River Insurance Company

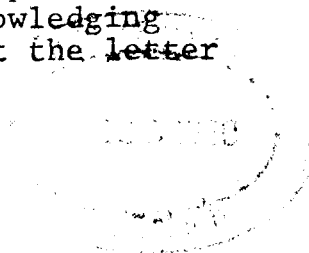
Dear Mr. Coburn:

Pursuant to telephone conversations of August 20, 1980 with Mr. Aloysius Nendza, Assistant Director, State Tax Commission, I am writing to you requesting that the Default Order against The North River Insurance Company, dated July 30, 1980 be vacated. I am requesting that the Default Order be vacated on the grounds that The North River Insurance Company never filed a petition for redetermination of deficiency or for refund of Franchise Tax on Insurance under Article 33 of the Tax Law for the year 1976.

To support my request that the Default Order be vacated, I will explain, step by step, the events leading up to the Default Order.

The North River Insurance Company received a Statement of Audit Adjustment for the period ended 12/31/76 dated July 19, 1979 showing a balance due of \$10,074.64. Pursuant to the instructions on the back of the Statement of Audit Adjustment, The North River Insurance Company filed a "protest letter" within 30 days, substantiating our disagreement. Our "protest letter" was dated August 8, 1979. We then received a Notice of Deficiency dated August 24, 1979. Pursuant to the terms of the Notice of Deficiency we were to have received an assessment 90 days after the date of the notice if we did not file a petition with the State Tax Commission. Since we did not return the signed consent to the deficiency nor file a petition, we expected but never received a notice of assessment of the deficiency. It was our desire to pay upon assessment the deficiency after the 90 day period expired.

Further complications occurred when we received a letter from Justine Driscoll of the Petition Unit of the Department of Taxation and Finance dated October 17, 1979 acknowledging receipt of our "protest letter" and advising us that the letter



August 22, 1980  
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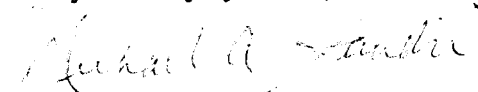
had been forwarded to the Tax Appeals Bureau. We then received a letter from Marilyn Papineau of the Tax Appeals Bureau dated November 15, 1979 acknowledging receipt of our "petition". We never filed a petition nor did we intend that our "protest letter" be deemed a petition. Apparently, our "protest letter" to the Statement of Audit Adjustment was incorrectly forwarded to the Tax Appeals Bureau. We then received two requests from Mr. Aloysius J. Nendza of the Tax Appeals Bureau, dated April 1, 1980 and May 12, 1980 respectively, requesting that we submit a Perfected Petition. Finally, we received a Notice of the Default Order of the State Tax Commission dated July 30, 1980.

As explained above, we never filed nor had we ever intended to file a petition. Consequently, we did not understand nor unfortunately respond to correspondence concerning the petition. We respectfully request, for the reasons stated, that the Default Order of the State Tax Commission dated July 30, 1980 against the North River Insurance Company be vacated.

Pursuant to our agreement with Mr. Nendza and yourself we enclose a check in the amount of \$10,316.70 which together with a credit of \$35,190.23 from the period ending 12/31/74 is in payment of the tax deficiency of \$37,744 plus interest for the period ending 12-31-76. This check is tendered on the condition that it, along with the credit from the period ending 12/31/74, is in payment of the deficiency and interest arising from the expiration of the 90 days after receipt of the Statutory Notice of Deficiency dated August 24, 1979. If this condition is acceptable, you may proceed to negotiate the check.

Thank you very much for your assistance and cooperation.

Very truly yours,



Michael A. Sandri  
Vice President

MAS:rp  
Enclosure



No. 00050596

55-233  
212AMERICAN NATIONAL  
BANK & TRUST  
MORRISTOWN, N. J.U. S. FIRE INSURANCE CO  
MADISON AVE. AT CANFIELD ROAD  
POST OFFICE BOX 2387  
MORRISTOWN, NEW JERSEY 07960DATE  
08 22 80CHECK NO.  
50596NET AMOUNT  
\*\*\*\*10,316.70

PAY \*\*\*\*10,316 AND 70 CENTS

**EXACTLY \$10316 AND 70 CTS**TO THE  
ORDER  
OFNEW YORK STATE CORPORATION TAX  
ALBANY, NEW YORK 12227ANY CHECK OVER \$5,000 MUST BEAR  
TWO AUTHORIZED SIGNATURES

⑈000505962⑈ ⑆021202337⑆011 038 004 5⑈



No. 00050596

REMITTANCE

ADVICE U. S. FIRE INSURANCE CO.

007-000005355

VOUCHER NO.	INVOICE NUMBER	PURCHASE ORDER	INVOICE DATE	AMOUNT	DISCOUNT	NET AMOUNT
18308	TAX DEFICIENCY		08 22 80	10,316.70		10,316.70
				10,316.70	TOTAL ►	10,316.70

PLEASE DETACH BEFORE DEPOSITING